



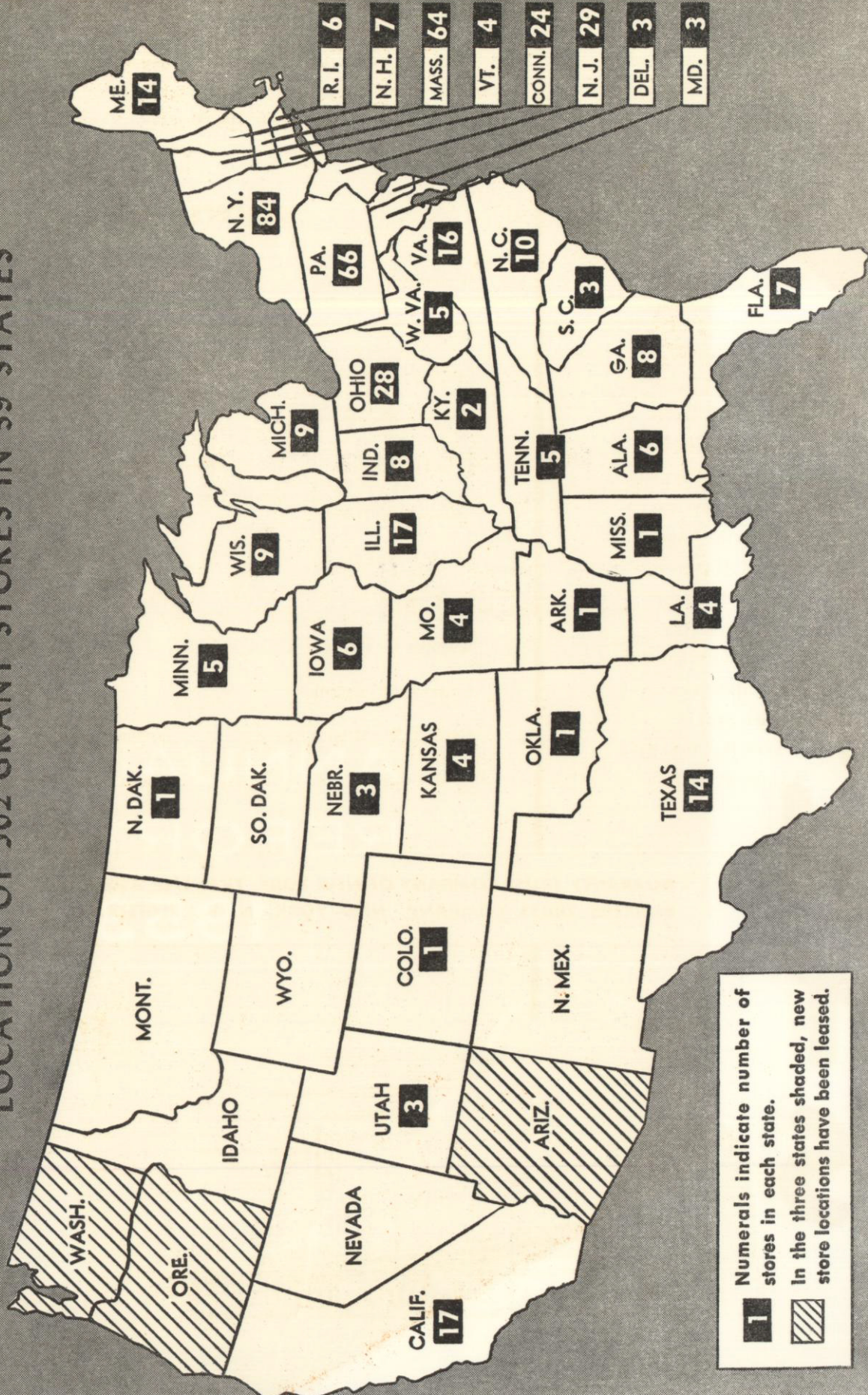
# W. T. GRANT COMPANY


ANNUAL  
REPORT  
1953

BOARDS  
9658.27  
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BUSINESS INF. DIV.  
CORPORATION FIN.

# LOCATION OF 502 GRANT STORES IN 39 STATES



**1** Numerals indicate number of stores in each state.  
 In the three states shaded, new store locations have been leased.

# W. T. GRANT COMPANY

*founded in 1906 at Lynn, Mass.*

*Executive and Buying Offices*

*1441 Broadway, New York 18, N. Y.*

## directors

WILLIAM T. GRANT  
*Chairman*

JOHN G. BYLER  
JOSEPH W. CHINN  
HOWLAND S. DAVIS  
RAYMOND H. FOGLE  
CLAYTON E. FREEMAN  
PERRIN C. GALPIN  
HERBERT K. GARGES  
JOHN M. HANCOCK  
WILLIAM L. KLEITZ  
J. LUTHER KNIES  
LOUIS C. LUSTENBERGER  
WARD MELVILLE  
EDWARD STALEY  
ROBERT R. UPDEGRAFF  
WALTER P. ZELLER

## officers

WILLIAM T. GRANT.....*Chairman of the Board*

EDWARD STALEY.....*President and General Manager*

LOUIS C. LUSTENBERGER.....*Executive Vice President*

JOHN G. BYLER.....*Financial Vice President*

J. LUTHER KNIES.....*Merchandise Vice President*

GORDON ANDERSON.....*Vice President*

M. O. BOXWELL.....*Vice President*

M. F. KETZ.....*Comptroller*

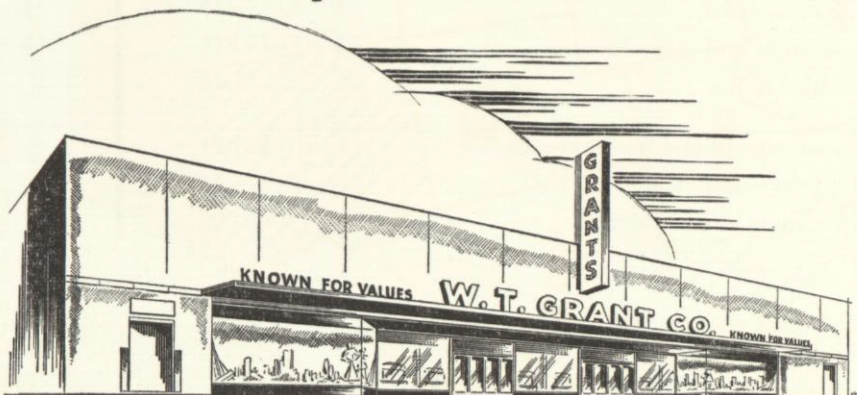
WARREN G. FINNAN.....*Treasurer*

CHARLES W. RIVOIRE.....*Secretary*

GEORGE W. MIDDLETON.....*Assistant Comptroller*

E. M. FOLEY.....*Assistant Secretary*

**GUARANTY TRUST COMPANY OF NEW YORK, TRANSFER AGENT  
BANKERS TRUST COMPANY, NEW YORK, N. Y., REGISTRAR**



WHITTIER, CALIF.

## THE STORY IN BRIEF . . .

	Fiscal Years Ended January 31,	
	1954	1953
Sales .....	\$299,767,741	\$283,240,067
Earnings before taxes.....	\$ 18,919,783	\$ 18,895,326
Federal income taxes.....	\$ 10,975,000	\$ 11,325,000
Taxes per common share.....	\$4.53	\$4.70
Cents per sales dollar.....	3.7¢	4.0¢
Net earnings after taxes.....	\$ 8,044,550*	\$ 7,570,326
Cents per sales dollar.....	2.7¢	2.7¢
Earnings per common share.....	\$3.09*	\$2.91
Dividends paid per preferred share.....	\$3.75	\$3.75
Dividends paid per common share.....	\$1.50	\$1.50
Total dividends paid.....	\$ 4,187,764	\$ 4,164,711
Earnings retained in the business.....	\$ 3,856,786	\$ 3,405,615
Depreciation and amortization.....	\$ 3,739,806	\$ 3,361,339
Merchandise inventories.....	\$ 39,564,481	\$ 38,294,791
Working capital .....	\$ 41,956,211	\$ 43,077,128
Fixed assets at year end.....	\$ 38,189,407	\$ 35,203,209
Long term debt .....	—0—	\$ 1,573,100
Total salaries and wages.....	\$ 49,402,545	\$ 45,213,875
Other employee benefits.....	\$ 3,272,266	\$ 3,280,225
Total compensation and other benefits.....	\$ 52,674,811	\$ 48,494,100
Cents per sales dollar.....	17.6¢	17.1¢
Book value common stock—per share.....	\$29.21	\$27.63
Number of preferred stockholders.....	766	788
Number of common stockholders.....	6,002	6,083

\* Includes \$99,767 or 4 cents per share of extraordinary income.

## W. T. GRANT COMPANY

1441 Broadway, New York 18, N. Y.

### To the Stockholders:

This 47th annual report, for the fiscal year ended January 31, 1954, contains comparative financial statements of the Company, and the report of Ernst & Ernst, independent public accountants appointed by the Board of Directors.

The report also includes the complete 47 year history of various financial and operating statistics of the Company.

**sales . . .** Sales for the year were at a new all-time high of \$299,767,741, which was \$16,527,674 or 5.8% over 1952.

Most of the sales increase came in the first half of the year when the sales increase was \$11,284,107 or 9.7% above 1952. In the last half, the sales increase was \$5,243,567 or 3.2%.

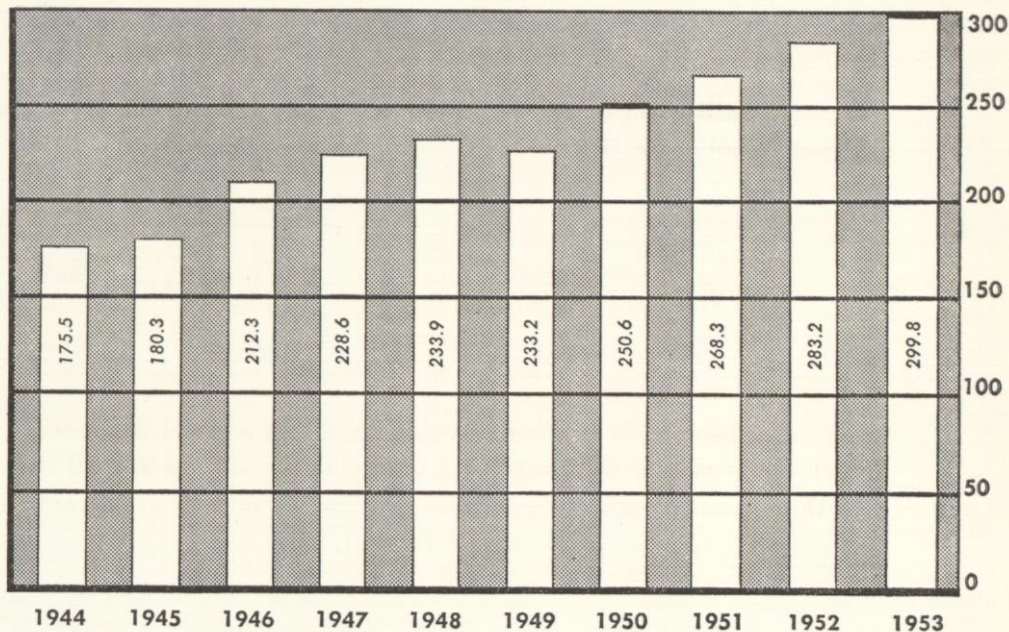
**earnings . . .** For 1953, the net earnings after taxes were \$8,044,550 which, after dividends on the preferred stock, equalled \$3.09 per share on 2,422,188 shares of common stock at the year end. This includes \$99,767, or 4 cents per share for refund of excess profits taxes for the year 1942 with interest, less applicable expenses and taxes.

For 1952, the net earnings were \$7,570,326 or \$2.91 per share on 2,408,198 shares of common stock.

The 1953 earnings before federal income taxes totalled \$18,919,783 which compares with \$18,895,326 for the preceding year.

## ANNUAL SALES

millions of  
dollars



While the earnings before federal income taxes increased \$24,457 over the prior year, the net earnings after taxes increased \$474,224. The difference is due to a lower provision for federal taxes on income, principally for the excess profits tax; and the extraordinary income included in the 1953 net earnings after taxes. The lower excess profits tax resulted from a higher excess profits credit available for 1953.

The earnings for both years were computed on the LIFO method of valuing inventories.

**taxes . . .** For the fiscal year 1953, federal income and excess profits taxes amounted to \$10,975,000 or 58.0% of the earnings before taxes. This compares with \$11,325,000, or 59.9% of the earnings before taxes for 1952. The total 1953 federal income and excess profits taxes equalled \$4.53 per share of common stock, which compares with \$4.70 per share in the prior year.

For the excess profits tax which expired on December 31, 1953, \$940,000 is included in the above 1953 federal taxes and \$1,235,000 for 1952. The excess profits tax equalled 39 cents per share of common stock for 1953.

**dividends and retained earnings . . .** During the fiscal year 1953, the regular quarterly dividends totalling \$3.75 per share were paid on the preferred stock. On the common stock, dividends totalling \$1.50 per share were paid during the year, the same as in 1952.

The total amount of all dividends paid during the fiscal year 1953 was \$4,187,764, or 52.1% of the final net earnings after taxes.

After dividends, \$3,856,786 of the 1953 final net earnings were retained for use in the business.

**financial position . . .** Following comparative schedule summarizes working capital at the year end:

	<u>January 31, 1954</u>	<u>January 31, 1953</u>
Total current assets .....	\$64,739,975	\$62,605,758
Total current liabilities .....	22,783,764	19,528,630
Working Capital .....	\$41,956,211	\$43,077,128

At January 31, 1954, merchandise inventories on hand and in transit, valued on the LIFO method, totalled \$39,564,481, or 3.3% above the \$38,294,791 of last year. This is considered to be a conservative position in view of the new and enlarged stores in operation at the close of the year.

**capital program . . .** In 1953, the Company continued its program to open stores in new communities, and to relocate, enlarge, and modernize existing units.

During 1953, expenditures for construction and equipment totalled approximately \$14,600,000. Of this total, \$7,400,000 was recovered from owners or will be repaid after completion of construction. Accordingly, the net capital expenditures for 1953 totalled \$7,200,000, which compares with \$6,350,000 in 1952. These amounts do not include expenditures for construction made directly by owners on properties developed for and leased to us.

As a part of its capital program, the Company continued to purchase and develop properties for its use, and to sell them at approximately their costs, retaining occupancy under long-term leases. In 1953, 13 properties were purchased and 19 were sold, including the outright sales of five properties purchased in prior years that were no longer needed. The net investment in land and buildings was \$5,417,925 at the year end, compared to \$5,810,430 at the end of the preceding year. Total mortgages payable of \$1,808,866 at the end of the previous year were fully paid off.

In 1953, 14 stores were opened in new communities and 5 small units were permanently closed. At the year end, the Company had 502 stores including 3 temporarily closed while new buildings are being erected, which compares with 493 stores including 2 temporarily closed at the end of the preceding year.

The 14 new communities where stores were opened in 1953, including 7 in park-and-shop developments, were:

Park-and-Shop Locations

Arcadia, Calif.  
Barberton, O.  
Cuyahoga Falls, O.  
Levittown, Pa.  
Philadelphia (Roosevelt Road) Pa.  
Warren, O.  
Whittier, Calif.

Down-Town Locations

Griffin, Ga.  
Hampton, Va.  
Longview, Tex.  
Meadville, Pa.  
North Platte, Nebr.  
Presque Isle, Me.  
Toms River, N. J.

In addition 13 stores were re-opened in new buildings on relocated or existing sites; 19 stores were enlarged; 9 stores were modernized; and 3 additional stores were air-conditioned.

For the fiscal year 1954, current plans call for a continuation of a capital program which includes 25 stores in new communities, including 9 park-and-shop units; 23 stores to be reopened in new buildings on existing or relocated sites; 6 stores to be enlarged or modernized; and 2 more existing stores to be air-conditioned.

**personnel and organization . . .** At the year end, there were approximately 22,900 employees, including part-time and extra people. During the year 50 more men and women completed 25 years of service with the Company and were suitably recognized.

In 1953, the Company continued to emphasize and improve its program of personnel training and development.

Salaries and wages, for the fiscal year 1953, amounted to \$49,402,545, which is \$4,188,670 above the preceding year. In addition, other employee benefits amounted to \$3,272,266, compared with \$3,280,225 for 1952. Included in these benefit totals, there is \$1,388,201 for 1953 and \$1,490,086 for the prior year, contributed by the Company to the Employees Retirement Plan for both current and prior service; and \$1,374,399 for 1953 and \$1,294,998 for 1952, of social security taxes paid by the Company on employee payroll, which is over and above the social security taxes withheld from employees' wages and salaries and paid to various state and federal governments.

The 1953 salaries, wages and other employee benefits totalled \$52,674,811, or 8.6% above the \$48,494,100 for the prior year. The 1953 total equalled 17.6 cents of each sales dollar, which compares with 17.1 cents in 1952. This is the Company's largest expense element, and it principally accounts for the increase in the operating expenses of 1953.

During the year, forty-nine employees retired under the Employees Retirement Plan, including five store managers who averaged 30 years of service with the Company. At the year end, 253 retired employees were receiving retirement benefits.

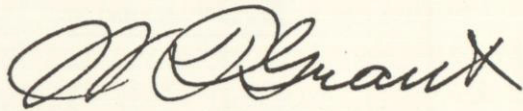
Effective February 1, 1954, the Company realigned and increased its field operating offices from four to five. A new Western region has been set up with headquarters in Los Angeles, California, and embraces the far western and Rocky Mountain states. We have 22 stores in operation in this region and have signed leases for our first stores in the states of Washington, Oregon and Arizona.

As of June 30, 1953, the corporate structure was simplified when the W. T. Grant Realty Corporation, the wholly owned subsidiary, was merged into the W. T. Grant Company.

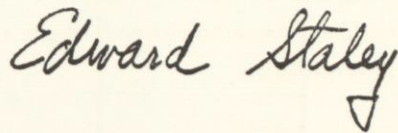


**other comments . . .** For the 1953 results which we consider as generally good, we gratefully acknowledge the fine cooperation of our suppliers and the continued competitive spirit of our employees who contributed so loyally to the year's performance.

We expect 1954 to be a most competitive year. Our goal is to sell more merchandise to more people, at a reasonable profit; and to maintain a steady program of expansion.



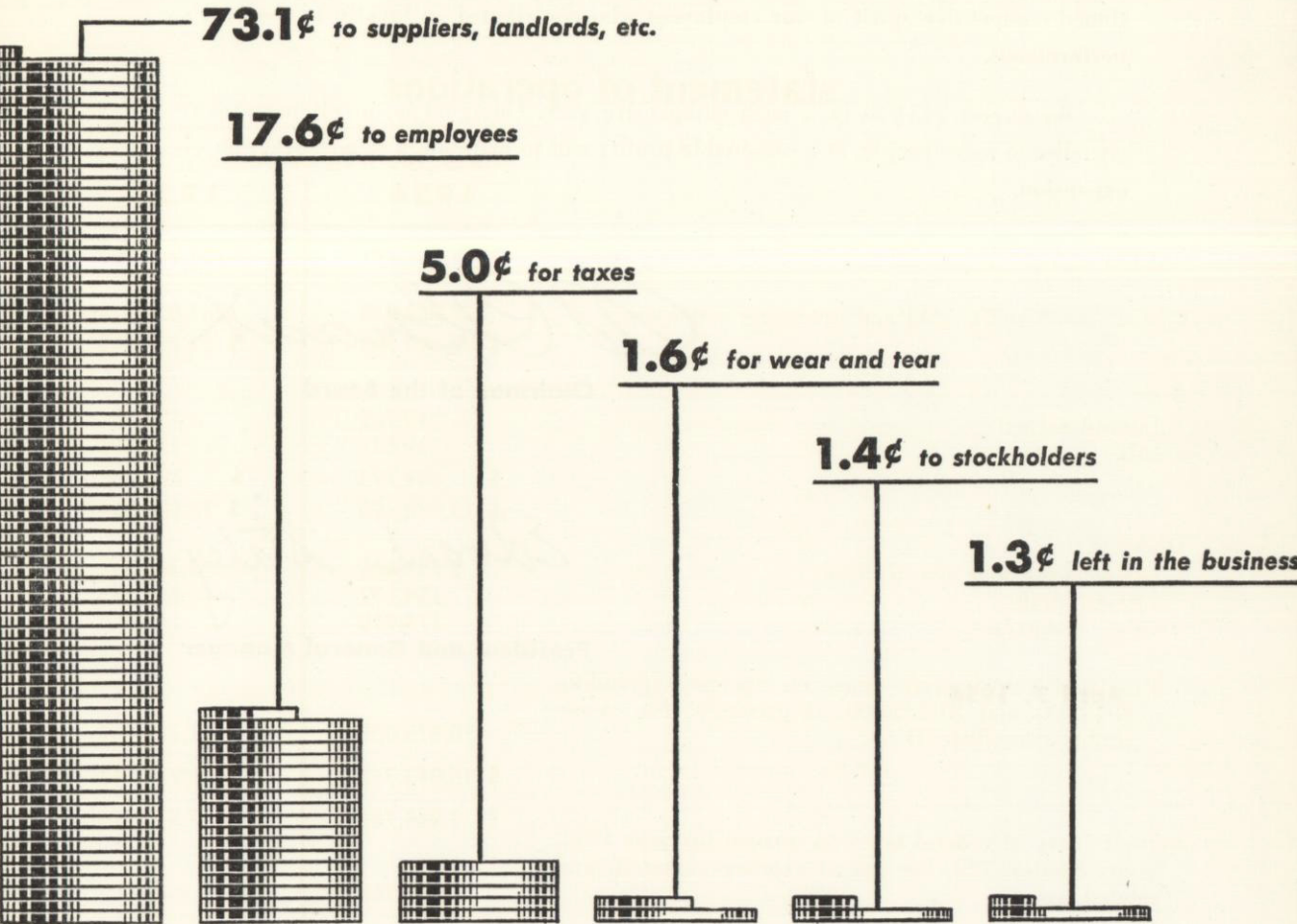
**Chairman of the Board**



**President and General Manager**

**April 7, 1954**

# HOW EACH 1953 GRANT SALES DOLLAR WAS DIVIDED



## COMPARATIVE TABLE ON DIVISION OF EACH SALES DOLLAR

	1953	1952	1951
For each dollar of sales	cents	cents	cents
*Suppliers, etc. . . . .	73.1	73.2	73.1
Employee compensation and other benefits . . . . .	17.6	17.1	16.8
Depreciation, maintenance, and repairs . . . . .	1.6	1.6	1.6
Federal, state, and local taxes . . . . .	5.0	5.4	5.7
Dividends to stockholders . . . . .	1.4	1.5	1.5
Earnings retained in the business . . . . .	1.3	1.2	1.3
	100.0	100.0	100.0

\*Suppliers, etc., includes merchandise costs, supplies, rents, and outside services.

# W. T. GRANT COMPANY

*and Subsidiary Consolidated*

## statement of operations

	Fiscal Years Ended January 31,	
	1954	1953
SALES .....	\$299,767,741	\$283,240,067
Cost of merchandise sold and operating expenses.....	277,268,038	261,025,974
	<u>\$ 22,499,703</u>	<u>\$ 22,214,093</u>
ADD:		
Interest earned.....	249,762	170,381
Other income.....	239,031	123,595
	<u>\$ 488,793</u>	<u>\$ 293,976</u>
	<u>\$ 22,988,496</u>	<u>\$ 22,508,069</u>
DEDUCT:		
Depreciation and amortization .....	3,739,806	3,361,339
Interest paid .....	154,197	108,345
Other deductions.....	174,710	143,059
Provision for federal taxes on income, including \$940,000 and \$1,235,000, respectively, for excess profits tax—Note D.....	10,975,000	11,325,000
	<u>\$ 15,043,713</u>	<u>\$ 14,937,743</u>
	<u>\$ 7,944,783</u>	<u>\$ 7,570,326</u>
Refund (net) of federal taxes on income for year 1942, under Section 722, less net of expenses, interest, and related taxes.....	99,767	—0—
NET EARNINGS FOR THE YEAR.....	<u>\$ 8,044,550</u>	<u>\$ 7,570,326</u>
DEDUCT:		
Cash dividends:		
On 3¾% Cumulative Preferred Stock:		
Four quarterly dividends of 93¾¢ each per share	562,506	562,506
On Common Stock:		
Four quarterly dividends of 37½¢ each per share	3,625,258	3,602,205
TOTAL DIVIDENDS .....	<u>\$ 4,187,764</u>	<u>\$ 4,164,711</u>
EARNINGS FOR YEAR RETAINED FOR USE IN THE BUSINESS	<u>\$ 3,856,786</u>	<u>\$ 3,405,615</u>
ADD:		
Restoration of excess of cost over par value of 2,400 shares of Common Stock (acquired in prior year), held for purpose of Deferred Contingent Compensa- tion Plan—Note C.....	23,505	—0—
Earnings of prior years retained for use in the business	53,699,399	50,293,784
ACCUMULATED EARNINGS RETAINED FOR USE IN THE BUSINESS AT END OF YEAR—Note E.....	<u>\$ 57,579,690</u>	<u>\$ 53,699,399</u>

(See notes to financial statements.)

# W. T. GRANT COMPANY STATEMENT

## assets

	January 31,	
	1954	1953*
<b>CURRENT ASSETS</b>		
Cash .....	\$ 15,636,634	\$ 16,154,702
United States Government securities, at redemption value .....	234,078	291,371
Accounts receivable:		
Customers installment accounts, less allowance of \$915,378 and \$755,302, respectively.....	8,172,158	6,797,825
Other accounts receivable, claims, etc.....	1,132,624	1,067,069
	\$ 9,304,782	\$ 7,864,894
Merchandise inventories (including merchandise in transit), at cost as determined principally by the last-in, first-out (LIFO) method—Note A.....	39,564,481	38,294,791
<b>TOTAL CURRENT ASSETS</b> .....	<b>\$ 64,739,975</b>	<b>\$ 62,605,758</b>
<b>OTHER ASSETS</b>		
Investment in Zeller's Limited, at cost—Note B.....	3,559,455	3,559,455
Cash surrender value of life insurance.....	2,604,069	2,513,236
Recoverable taxes if retroactive LIFO is not sustained—Note A .....	1,268,000	1,268,000
Building costs to be repaid by landlords.....	1,496,661	953,332
Sundry receivables and deposits.....	396,374	330,064
<b>TOTAL OTHER ASSETS</b> .....	<b>\$ 9,324,559</b>	<b>\$ 8,624,087</b>
<b>COMMON STOCK OF W. T. GRANT COMPANY</b>		
At cost, held for Deferred Contingent Compensation Plan—Note C .....	84,636	—0—
<b>STORE PROPERTIES, FIXTURES &amp; IMPROVEMENTS</b>		
Land, at cost.....	3,987,715	4,387,880
Buildings, at cost.....	1,831,775	2,263,911
Less allowance for depreciation.....	401,565	841,361
	\$ 1,430,210	\$ 1,422,550
Furniture and fixtures, at cost.....	30,441,058	25,713,470
Less allowance for depreciation.....	10,902,226	9,171,921
	\$ 19,538,832	\$ 16,541,549
Alterations and improvements to leased properties, at cost .....	21,385,392	20,189,435
Less allowance for amortization.....	8,152,742	7,338,205
	\$ 13,232,650	\$ 12,851,230
<b>TOTAL STORE PROPERTIES, FIXTURES, AND IMPROVEMENTS</b>	<b>\$ 38,189,407</b>	<b>\$ 35,203,209</b>
<b>DEFERRED CHARGES</b>		
Prepaid taxes, rents and insurance, supplies, etc.....	1,890,529	1,760,581
	<b>\$ 114,229,106</b>	<b>\$ 108,193,635</b>

# OF FINANCIAL POSITION . . .

## liabilities, reserves, and capital

	January 31,	
	1954	1953*
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses.....	\$ 20,021,511	\$ 17,680,984
Real estate mortgages payable within one year.....	—0—	235,766
Federal taxes on income—estimated, less United States Government securities amounting to \$10,008,752 and \$11,170,063, respectively—Note D.....	2,762,253	1,611,880
<b>TOTAL CURRENT LIABILITIES</b> .....	<b>\$ 22,783,764</b>	<b>\$ 19,528,630</b>
<b>DEFERRED LIABILITIES</b>		
Real estate mortgages payable after one year.....	—0—	1,573,100
<b>RESERVES</b>		
For reduction in inventory valuation, less tax refunds, if retroactive LIFO is sustained—Note A.....	3,214,118	3,214,118
For uninsured risks .....	1,500,000	1,500,000
For repainting stores .....	793,937	817,905
For deferred contingent compensation—Note C.....	95,160	29,988
<b>TOTAL RESERVES</b> .....	<b>\$ 5,603,215</b>	<b>\$ 5,562,011</b>
<b>CAPITAL</b>		
Capital Stock:		
Cumulative Preferred—\$100 par value—Note E:		
Authorized 250,000 shares		
Issued 150,000 shares of 3¾% series.....	15,000,000	15,000,000
Common—\$5 par value—Notes C and F:		
Authorized 3,000,000 shares		
Issued 2,426,088 and 2,410,598 shares, respec- tively, (including 2,400 shares in treasury at January 31, 1953) .....	12,130,440	12,040,990
Capital paid in excess of par value of shares issued	977,085	630,547
Amounts paid by officers and employees under contracts for 68,635 and 79,655 shares, respec- tively, of unissued Common Stock.....	154,912	158,958
	<b>\$ 13,262,437</b>	<b>\$ 12,830,495</b>
Earnings retained for use in the business—Note E:		
Earned up to and including November 26, 1937, by predecessor companies .....	15,319,289	15,295,784
Earned subsequently to November 26, 1937.....	42,260,401	38,403,615
	<b>\$ 57,579,690</b>	<b>\$ 53,699,399</b>
<b>TOTAL CAPITAL</b> .....	<b>\$ 85,842,127</b>	<b>\$ 81,529,894</b>
	<b>\$ 114,229,106</b>	<b>\$ 108,193,635</b>

\*Amounts as of January 31, 1953 include accounts of subsidiary which was merged into the Company on June 30, 1953.

(See notes to financial statements.)

## notes to financial statements

January 31, 1954

**NOTE A**—The financial statements reflect adoption as of January 31, 1950 of the LIFO method of determining cost of inventories. The Company's claim to the right to use LIFO retroactively to 1941 is still pending, and the accompanying statement of financial position includes the amount of \$1,268,000 for taxes recoverable by the Company if retroactive LIFO is not sustained, and the reserve of \$3,214,118 for reduction in inventory valuation, less tax refunds, if retroactive LIFO is sustained. The balances in both of these accounts resulted from the accounting adjustments which reflected the adoption of LIFO as of January 31, 1950. These balances have remained unchanged, as adjustments for 1950 to 1953, inclusive, which would be applicable only in the event that retroactive LIFO is sustained, have been relatively immaterial. A more detailed explanation appeared in the notes to financial statements in the report for the fiscal year ended January 31, 1951.

**NOTE B**—The investment in Zeller's Limited consists of 62,500 shares of common stock (cost \$1,112,516), and an unsecured promissory note for \$2,375,000 (Canadian) maturing January 1, 1963 (cost \$2,446,939). At its election the Company may, at any time from January 1, 1956 to June 1, 1956, convert the note into 125,000 unissued shares of common stock of Zeller's Limited. Also the Company has options, exercisable during the same five month period, to purchase all or part of 187,500 shares of that company's presently issued common stock at \$18.25 (Canadian) per share. Upon the exercise of these purchase options, the grantors of the options may elect to receive, in lieu of cash, presently authorized but unissued shares of the Grant Company's Common Stock at the ratio of 1 share for each 2 shares of Zeller's Limited stock. During the fiscal year 1953, the Company received on this investment \$37,942 in dividends on the 62,500 shares of Zeller's common stock and \$96,502 in interest on the note.

**NOTE C**—Under the Deferred Contingent Compensation Plan, adopted during 1952, allotments contingently credited to participants are distributable in annual installments after termination of employment, provided that certain conditions prevail at the dates such installments would be distributable. The amount shown for the reserve at January 31, 1954 represents (a) to the extent that allotments are contingently distributable in Common Stock of the Company, the cost to the Company of 3,900 shares of its Common Stock held for this purpose, plus (b) provision for 291 additional shares at the January 31, 1954 market price, plus (c) the total of all participants' contingent cash allotments, which for each participant, is less than the year end market price of one full share. The amounts so provided were not deductible for income taxes in the years when allotments were made and do not reflect any estimate of the applicable reduction in income taxes available in future years when distributions will be made. For the fiscal year 1953, the amount charged to earnings for this purpose was \$65,172.

**NOTE D**—In accordance with the practice followed since inauguration in 1946, gross profits on sales on the installment basis are reflected in the financial statements of the Company when the sales are made, whereas for federal income tax purposes, such gross profits are taken into account as collections are received. At January 31, 1954,

approximately \$1,892,000 for deferred federal taxes on installment sales is included in current liabilities.

**NOTE E**—The 3¾% Cumulative Preferred Stock is redeemable at the Company's option in whole or in part at any time at \$101 per share to August 1, 1955, and \$100 (par value) per share thereafter, plus, in each case, accrued dividends to date of redemption.

So long as any of the Cumulative Preferred Stock remains outstanding, there are certain restrictions with respect to payment of dividends (other than stock dividends) on, and purchase of, Common Stock. At January 31, 1954, approximately \$45,000,000 of earnings retained for use in the business was free of such restrictions.

**NOTE F**—Under the Employees Stock Purchase Plan, approved by stockholders on April 18, 1950, there was authorized the issuance of not more than 118,935 shares of unissued Common Stock to be offered to employees under the Plan.

The total offerings made to January 31, 1954 covered 118,240 shares, net after cancellations due to terminations of employment, leaving 695 shares available for future offerings.

At January 31, 1954, of the 118,240 shares offered, the Company had entered into contracts for the sale, on a deferred payment basis, of 113,615 shares at approximate market prices at dates of contracts, aggregating \$3,150,960, and the remaining 4,625 shares were subject to acceptance within two years after the offerings.

At January 31, 1954, 44,980 shares had been fully paid for and issued and the unpaid balance for the remaining 68,635 shares amounted to \$1,775,168.

**NOTE G**—At January 31, 1954, the Company was lessee of real property under 533 leases expiring subsequently to January 31, 1957, at aggregate annual minimum rentals of approximately \$9,390,000 (exclusive of taxes and other expenses payable under terms of certain of the leases). This amount includes approximately \$2,682,000 minimum annual rentals under 129 leases which were on a percentage of sales basis with specified minimum annual rentals, but does not include any amount for ten leases which were on a percentage of sales basis without any specified minimum annual rentals.

## auditors' report

TO THE BOARD OF DIRECTORS,  
W. T. GRANT COMPANY,  
NEW YORK, N. Y.

We have examined the statement of financial position of W. T. Grant Company as of January 31, 1954, and the statement of consolidated operations of the Company and its subsidiary (merged during the year into the Company) for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements present fairly the financial position of W. T. Grant Company at January 31, 1954, and the consolidated results of operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

ERNST & ERNST

New York, N. Y., March 29, 1954

# 1907 . . . . GRANT'S 47

(amounts in 000's)

YEAR	NO. OF STORES	TOTAL SALES	SALES PER STORE	PRE-TAX EARNINGS	FEDERAL TAXES	NET EARNINGS		PREFERRED DIVIDENDS	COMMON DIVIDENDS
						total	per sales \$		
1907	1	\$ 99	\$ 99	\$ 10	—	\$ 10	9.8¢	\$ —	\$ 8
1908	2	169	85	16	—	16	9.6	—	10
1909	4	399	100	29	—	29	7.2	—	22
1910	6	753	125	16	—	16	2.1	—	28
1911	9	1,044	116	27	—	27	2.6	—	12
1912	12	1,362	113	26	—	26	1.9	5	27
1913	16	2,001	125	82	1	81	4.0	11	19
1914	20	2,565	128	98	1	97	3.8	11	17
1915	23	3,062	133	191	2	189	6.2	11	93
1916	25	3,660	146	186	4	182	5.0	11	30
1917	30	4,511	150	154	44	110	2.4	11	33
1918	32	6,029	188	205	96	109	1.8	11	36
1919	33	7,942	241	443	154	289	3.7	28	78
1920	38	10,193	268	366	91	275	2.7	49	75
1921	45	12,728	283	406	110	296	2.3	57	75
1922	50	15,383	308	708	97	611	4.0	98	75
1923	60	20,625	344	1,566	205	1,361	6.6	174	231
1924	70	25,316	362	1,624	206	1,418	5.6	215	375
1925	77	30,411	395	2,218	305	1,913	6.3	263	300
1926	109	36,075	331	2,537	345	2,192	5.9	258	300
1927	157	43,744	279	2,754	368	2,386	5.5	114	455
1928	221	55,691	252	3,217	389	2,828	5.1	51	515
1929	279	65,902	236	3,420	380	3,040	4.6	—	701
1930	350	71,376	204	3,837	463	3,374	4.7	—	1,188
1931	404	75,679	187	3,542	434	3,108	4.1	—	1,195
1932	446	73,087	164	1,849	237	1,612	2.2	—	1,195
1933	457	78,206	171	3,860	513	3,347	4.3	—	1,195
1934	465	85,070	183	3,013	397	2,616	3.1	—	1,195
1935	471	91,982	195	3,870	536	3,334	3.6	—	1,494
1936	477	98,346	206	5,791	1,197	4,594	4.7	—	2,869
1937	480	99,060	206	4,253	851	3,402	3.4	87	2,266
1938	489	97,516	199	3,474	708	2,766	2.8	349	1,962
1939	492	103,762	211	4,785	960	3,825	3.7	349	2,260
1940	492	111,775	227	5,068	1,526	3,542	3.2	349	1,665
*1941	495	130,556	264	7,646	3,633	4,013	3.1	349	2,379
1942	493	154,204	313	6,264	3,152	3,112	2.0	349	1,665
1943	493	163,983	333	9,146	5,571	3,575	2.2	349	1,665
1944	490	175,461	358	12,675	8,893	3,782	2.2	349	1,665
1945	488	180,307	369	11,504	7,491	4,013	2.2	388	1,784
1946	484	212,324	439	14,859	5,655	9,204	4.3	563	5,233
1947	483	228,636	473	10,851	4,039	6,812	3.0	563	3,568
1948	482	233,904	485	15,246	5,947	9,299	4.0	563	2,379
1949	480	233,168	486	15,545	6,110	9,435	4.0	563	3,568
*1950	477	250,574	525	15,938	7,835	8,103	3.2	563	3,572
1951	482	268,333	557	19,237	11,720	7,517	2.8	563	3,587
1952	491	283,240	577	18,895	11,325	7,570	2.7	563	3,602
1953	502	299,768	597	18,920	10,975	*8,045	2.7	563	3,625

\* 1941-1949 respective data is on LIFO as of 2/1/41.

\* 1950 to date is on LIFO as of 2/1/50.

\* 1953 net earnings include \$99,767 of extraordinary income.



# YEAR HISTORY . . . . . 1953

(amounts in 000's)

TOTAL DIV'S % TO NET	WORKING CAPITAL		FIXED ASSETS		LONG TERM DEBT	CAPITAL		NET WORTH	
	total	% to sales	total	% to sales		preferred	common	total	% earned
81.7	\$ 16	16.5	\$ 3	3.0	\$ —	\$ —	\$ 16	\$ 19	50.3
61.4	53	31.2	7	4.1	—	—	50	60	27.2
76.3	82	20.5	15	3.8	—	—	80	97	29.9
170.4	117	15.5	35	4.6	—	—	150	155	10.6
42.3	107	10.2	61	5.9	—	—	150	171	15.9
121.9	179	13.2	132	9.7	—	150	150	315	8.4
36.6	174	8.7	168	8.4	—	150	150	365	22.1
28.9	196	7.6	220	8.6	—	150	150	429	22.6
54.7	247	8.1	252	8.2	—	150	150	515	36.7
22.2	372	10.2	281	7.7	—	150	150	672	27.1
39.5	430	9.5	301	6.7	—	150	150	759	14.5
42.7	525	8.7	268	4.4	—	150	150	820	13.3
36.6	1,194	15.0	271	3.4	—	650	150	1,507	19.2
45.0	1,112	10.9	477	4.7	—	673	150	1,669	16.5
44.7	1,209	9.5	803	6.3	—	961	150	2,126	13.9
28.2	1,803	11.7	1,403	9.1	75	1,655	150	3,261	18.7
29.8	2,682	13.0	2,302	11.2	75	2,500	1,500	5,066	26.9
41.6	2,749	10.9	4,098	16.2	275	3,431	1,500	6,832	20.7
29.4	3,750	12.3	4,478	14.7	275	3,380	1,500	8,142	23.5
25.4	4,661	12.9	5,025	13.9	295	3,263	1,500	9,646	22.7
23.8	5,200	11.9	6,167	14.1	330	967	3,787	11,416	20.9
20.0	5,802	10.4	9,394	16.9	888	—	6,020	14,926	18.9
23.0	8,675	13.2	12,579	19.1	2,118	—	9,796	20,502	14.8
35.2	10,104	14.2	14,165	19.8	2,288	—	10,089	22,971	14.7
38.5	11,285	14.9	15,332	20.3	2,873	—	10,089	24,799	12.5
74.2	9,704	13.3	16,101	22.0	2,038	—	10,089	25,155	6.4
35.7	12,522	16.0	15,576	19.9	2,061	—	10,089	27,236	12.3
45.7	15,215	17.9	15,294	18.0	3,113	—	10,089	28,595	9.1
44.8	16,896	18.4	14,554	15.8	2,115	—	10,089	30,435	11.0
62.4	18,405	18.7	14,531	14.8	1,961	—	10,089	32,161	14.3
69.2	18,580	18.8	14,876	15.0	1,540	6,978	11,894	34,359	9.9
83.5	18,313	18.8	15,927	16.3	2,367	6,977	11,894	34,800	7.9
68.2	18,776	18.1	16,167	15.6	2,201	6,977	11,894	36,017	10.6
56.9	19,871	17.8	16,677	14.9	2,367	6,977	11,894	37,579	9.4
68.0	21,321	16.3	18,148	13.9	4,890	6,977	11,894	38,957	10.3
64.7	18,993	12.3	19,052	12.4	4,530	6,977	11,894	40,056	7.8
56.3	20,480	12.5	18,503	11.3	4,784	6,977	11,894	41,617	8.6
53.2	22,994	13.1	18,691	10.7	6,004	6,977	11,894	43,385	8.7
54.1	32,424	18.0	18,275	10.1	5,260	15,000	11,894	52,100	7.7
63.0	30,586	14.4	19,929	9.4	5,259	15,000	11,894	55,508	16.6
60.6	27,292	11.9	23,128	10.1	4,812	15,000	11,894	58,190	11.7
31.6	29,269	12.5	27,541	11.8	4,403	15,000	11,894	64,547	14.4
43.8	28,331	12.2	33,094	14.2	3,303	15,000	11,894	69,852	13.5
51.0	41,712	16.6	32,966	13.2	3,329	15,000	11,922	74,078	10.9
55.2	41,562	15.5	35,919	13.4	2,759	15,000	11,980	77,769	9.7
55.0	43,077	15.2	35,203	12.4	1,573	15,000	12,041	81,530	9.3
52.1	41,956	14.0	38,189	12.7	—	15,000	12,130	85,842	9.4

# A FEW INTERESTING ITEMS ABOUT THE GRANT COMPANY AND ITS PEOPLE

● A new all-time-high in sales for a single day of \$4,280,000 was achieved on Saturday, December 19, 1953.

● R.H. Fogler who retired in 1952 as President and remains as a Director of the Company, is serving as The Assistant Secretary of the Navy.

● During 1953, the Company employed 284 young men as trainees for store management. This compares with 195 during 1952, and reflects the need to add to our personnel in line with the store expansion program.

● At the year end, forty of the Company's stores were being managed by women who started their careers as salesgirls or office women in the stores.

● In 1953, the Company paid \$6,242,000 for transportation, including parcel post, on merchandise shipped to its stores. During the past few years, this has become a heavier burden because of increases in rates and also the limits imposed on size and weight of parcel post shipments.

● A new, enlarged warehouse and distributing center is under construction in Metuchen, N. J. It will replace a smaller warehouse in Jersey City, N. J., and is designed to speed deliveries, reduce transportation costs, and improve the turnover rate in a wide variety of items.

● John G. Byler, Financial Vice President, served as Chairman of the Board of the American Retail Federation for 1952-1953. Federation membership includes national retail trade associations, state retail associations and individual retail companies, and it serves to coordinate retail policy in national affairs.

● The Company is among the nation's biggest distributors of such items as:

INFANTS' WEAR  
NYLON HOSIERY  
CHILDREN'S WEAR

COTTON HOUSE DRESSES  
LAMPS AND SHADES  
COTTON YARD GOODS  
BIRDS AND BIRD CAGES

SLIPPERS  
WOMEN'S SLIPS AND UNDERWEAR  
BRASSIERES AND GIRDLES

● On September 24, 1953, W. T. Grant, founder and Chairman of the Board of Directors, who opened the first store in Lynn, Mass. in December 1906, attended the opening of the 500th store in Levittown, Pa.

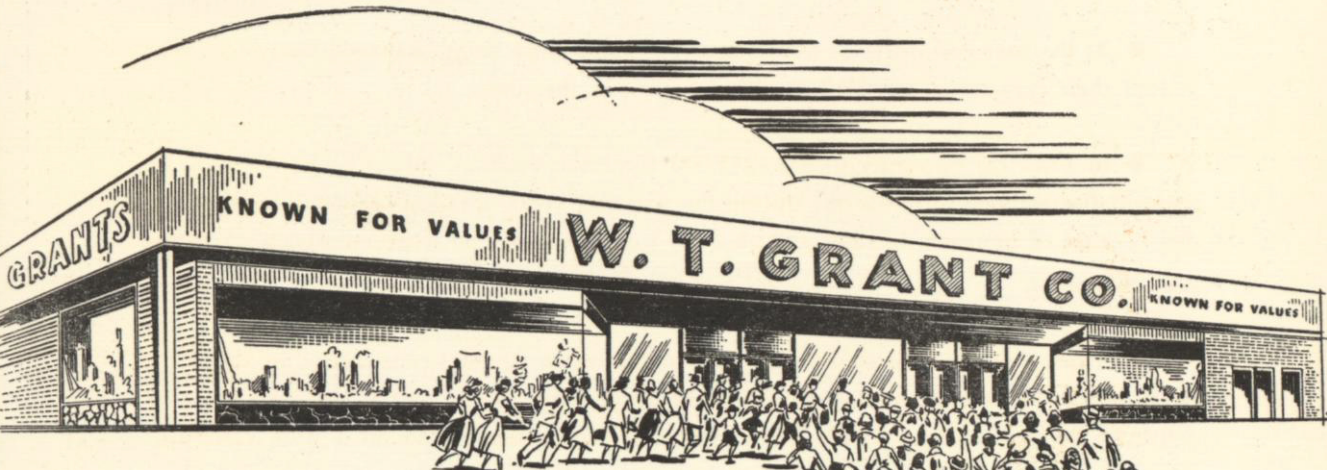
# GRANTS FIRST and 500<sup>TH</sup> STORES



This is how the first W. T. Grant store in Lynn, Mass. looked when opened in December 1906:

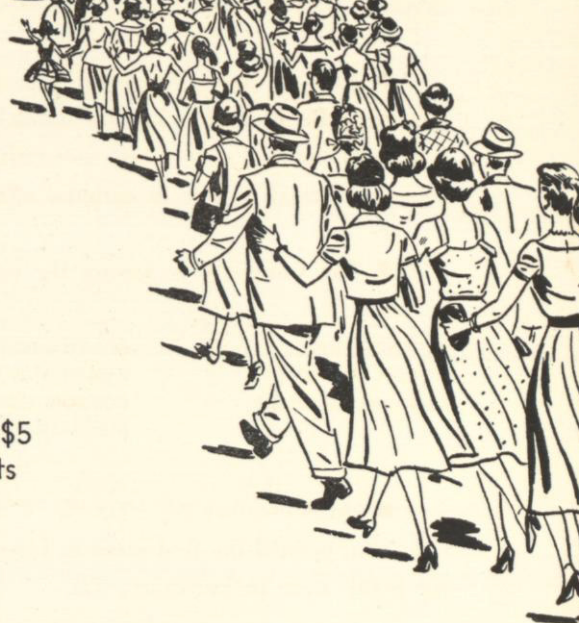


- 4500 square feet
- filament lamp lighting
- wooden floors
- no luncheonette
- no parking
- prices not over 25¢
- limited merchandise assortments



And this is our 500th store, opened in September 1953 in the shopping center of the new community of Levittown, Pa.:

- 26,000 square feet
- fluorescent lighting
- modern luncheonette
- asphalt tile floor
- parking
- prices mostly up to \$5
- extensive assortments of merchandise



*Grants*  
KNOWN FOR VALUES